

Staff Summary Report



Council Meeting Date: 2/02/2012

Agenda Item Number: 5C1

SUBJECT: Introduction and first public hearing to adopt an ordinance to authorize a second amendment to a communications site lease agreement with American Tower Asset Sub, LLC (successor in interest to C-Call Corp. formerly doing business as OneComm Corp.) for cellular communication facilities located on Carver Road east of Hardy in Tempe. The second public hearing is scheduled for February 16, 2012.

DOCUMENT NAME: 20120202pwws02 COMMUNICATION (1002) ORDINANCE NO. 2012.02

COMMENTS: American Tower has requested City's permission to sublease a portion of its communication equipment facility and tower to Cricket Communications Inc. As consideration for such consent, the parties have renegotiated the amended lease for an increased rental payment.

PREPARED BY: Wendy Springborn, Engineering Services Manager (x8250)

REVIEWED BY: Andy Goh, P.E., Deputy Public Works Director/City Engineer (x8896)

LEGAL REVIEW BY: Jenae Naumann, Assistant City Attorney (x8402)

DEPARTMENT REVIEW BY: Don Bessler, Public Works Director (x8205)

FISCAL NOTE: Rental under the current amended lease is \$1,591.35 per month excluding taxes. American Tower will pay an additional \$1,000.00 per month as consideration for the City's consent to American Tower's sublease with Cricket. The renegotiated lease provides that base rent will increase to \$2,591.35 per month on the first day of the month following the date the City issues a building permit to American Tower for the placement of the Cricket equipment on the premises. The base rent will continue to increase by 3% annually on each November 1 as required by the amended lease. Lessee is responsible for paying taxes in addition to the base rent.

RECOMMENDATION: Adopt Ordinance No. 2012.02.